Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Implementation of Sections 3(n) and 332 of the Communications Act	)	GN Docket No. 93-252
	)	
Regulatory Treatment of Mobile Services	)	

To: The Commission

REPLY COMMENTS

SPEED-NET, Parkinson Electronics Company ("Parkinson"), Bill Wayne d/b/a Mr. Radio ("Mr. Radio"), Rayfield Communications, Inc. ("Rayfield") and Dale Walsh d/b/a The Walsh Group ("Walsh") (hereinafter collectively referred to as the "SMR Operators") by their attorney and pursuant to Section 1.429 of the Commission's Rules, 47 C.F.R. §1.429, respectfully submits their Reply Comments in response to the Comments submitted by various parties in the above-captioned proceeding.

I. BACKGROUND

SPEED-NET is an association of independent radio dealers in the Mid-Atlantic portion of the United States which have as yet not participated in the massive consolidation in the 800 MHz SMR marketplace. SPEED-NET's participants are the licensees or managers of two hundred eight (208) discrete 800 MHz frequencies throughout the Mid-Atlantic market region at sixty-three (63) transmitter sites.

Many of the independent radio dealers participating in SPEED-NET have been involved in the radio business for more than a decade. Others began as dealers in the 1980s. The SPEED-NET participants have watched an evolution in the SMR marketplace in the past two years, and the participants recognize that in order to remain competitive they must also evolve. SPEED-NET has filed an application for authority to operate on a wide-area basis. The application is currently pending at the Commission.

Parkinson is one of the largest SMR service providers in the Levelland/Lubbock, Texas area. In addition, Parkinson manufactures antenna tower monitors and parts for land mobile radio systems, some of which are incorporated in General Electric 800 MHz trunked radios. Parkinson is the licensee or manager of seventy-three (73) discrete 800 MHz frequencies throughout the Levelland/Lubbock market region at twelve (12) transmitter sites. Parkinson has filed an application for authority to operate on a wide-area basis. The application is currently pending at the Commission.

Rayfield Communications, Inc. is a two-way radio sales and service company located in Springfield, Missouri. Rayfield operates several SMR Systems throughout rural Missouri. In addition, Rayfield has designed network linking technology for SMR Systems which is manufactured by IDA Corporation. Mr. Radio is a two-way radio sales and service company located in Southern Nevada. Mr. Radio owns and manages SMR Systems in Laughlin, Nevada and Lake Havasu, Arizona. Walsh is the licensee of SMR Systems at various locations around the country, which are managed by other operators.

Together, the SMR Operators represent a cross-section of the typical SMR industry operator today below the level of the largest operators. As pointed out by Geotek in its Comments, the SMR industry is not a series of large companies seeking to compete with the cellular industry. Although there are several large companies which do have such plans, the typical SMR System provides fleet dispatch communications for business, with interconnect on an ancillary basis only. While SMR operators do intend to offer some of the higher quality services now being developed for both analog and digital equipment, such services are an add-on to the existing core business of dispatch communications.

The SMR Operators are both traditional SMR operators as well as entities proposing to operate on a wide-area basis. As such, the SMR Operators will be significantly impacted by the changes being considered by the Commission in this proceeding.

The SMR Operators are firm believers in the application of state-of-the-art technology to improve operating systems and the resultant service to its SMR customers. They are a strong supporter of the FCC's actions to apply new technologies and operational procedures to improve overall the spectrum efficiency for wireless communications.

The SMR Operators have reviewed the Comments in this proceeding and generally support the views expressed by the National Association of Business and Educational Radio, Inc. ("NABER"), the American Mobile Telecommunications Association, Inc. ("AMTA"), and Geotek, Inc. ("Geotek"). The SMR Operators comments

herein will focus on the proposal by Nextel Communications, Inc. ("Nextel") for 800 MHz licensing.

II. REPLY COMMENTS

The SMR Operators are concerned with the proposal set forth by Nextel. Although SPEED-NET and Parkinson (as entities with ESMR applications pending) may actually benefit by some form of Nextel's mandatory relocation program, the SMR Operators together believe the Nextel's proposal is not prudent for the SMR industry.

While the SMR Operators support a service-area based licensing scheme in the 861/865 MHz band, the SMR Operators oppose making any relocation from 861/865 MHz to 856/860 MHz mandatory, as proposed by Nextel. Such a requirement would only prevent **existing**, **analog** licensees from combining and converting to wide-area operation. There are several reasons why the Nextel proposal is unacceptable:

1. In many large urban areas, there may not be sufficient spectrum for all transmitter-site 861/865 MHz licensees to relocate to 856/860 MHz;

2. Numerous customers of the SMR Operators utilize older E. F. Johnson or General Electric radios. Many such older radios cannot be retuned to operate in the 856/860 MHz band, or will only function in one band, but not both;

3. While SPEED-NET and Parkinson would be eligible for the 861/865 MHz frequencies, other legitimate SMR operators would not be eligible;

4. In an area such as Los Angeles where there is only one wide-area application or grant, a single operator would be granted all 200 channels regardless of how many mobile units are on the operator's system. This disenfranchises other operators in the area, which together may actually have more mobile units in operation than the one entity fortunate enough to have filed its wide-area application just before Nextel's proposal.

When Nextel initially presented its plan to the Commission for its ESMR, Nextel represented to the Commission that it could build its system in the midst of traditional analog SMR operators. The Commission was presented with concerns about "multiple interferers", which would cause interference to analog licensees, and questioned whether the short-spacing proposed by Nextel was insufficient to prevent interference. In this proceeding, Nextel is concerned with "interference from traditional SMR operators",[1] and proposes to minimize "... the undesired impact of ESMR multiple co-channel and adjacent-channel interferers on traditional analog SMR dispatch stations..."[2] Although Nextel in its Comments demonstrates why ESMR licenses are not "substantially similar" to cellular licenses, Nextel proposes to make them similar at the expense of traditional SMR operations. While the SMR Operators support eliminating interference wherever possible, the SMR Operators should not be forced to accept an even worse situation.

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[1] See, Comments of Nextel at 11.

[2] Id.

The SMR Operators support NABER's plan because it accomplishes Nextel's stated goals while at the same time bringing benefits to all SMR Operators. NABER's proposal is **voluntary**, and is based upon a wide-area applicant **giving up** 856/860 MHz spectrum and would permit **any** licensee (regardless of whether the licensee is implementing a digital system or wishes to remain an analog operator) to operate a service-area based license if the licensee could clear off a channel. As many analog SMR Systems are surrounded by an ESMR licensee at very short co-channel spacings which were obtained under the Commission's former "short-spacing" rules, the analog licensee would no longer be a high-powered "island" surrounded by low-power stations.

The SMR Operators believe that it is important that the Commission permit new service-area based licensees in the 861/865 MHz band to the extent that spectrum remains available. This would allow existing transmitter-based licensees that do not currently have wide-area licenses to combine with other licensees on the same frequencies to create wide-area systems. There should not be a limit on the maximum or minimum number of channels for which a service-area based licensee could obtain a license. Instead, the marketplace should dictate whether it is feasible for existing licensees to negotiate the creation of wide-area systems.

The SMR Operators support a process whereby traditional analog SMR licensees would be able to obtain their own service-area license if they can clear off one or more channels, regardless of whether they wish to convert to digital. It would appear that

NABER's proposal permits more licensees to obtain the type of wide-area authorizations currently enjoyed by Nextel and others. The SMR Operators plan to take advantage of the plan if it is implemented.[3]

III. CONCLUSION

WHEREFORE, SPEED-NET, Parkinson Electronics Company, Bill Wayne d/b/a Mr. Radio, Rayfield Communications, Inc. and Dale Walsh d/b/a The Walsh Group respectfully request that the Commission act in accordance with the views expressed herein.

Respectfully submitted,

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[3]The SMR Operators wish to make clear that any review at the time of renewal of a license should be subject to a significant renewal expectancy. Any analysis as to whether a licensee has cooperated in eliminating interference by "swapping" frequencies should be limited to <u>after</u> the Commission decides that the licensee is not entitled to a renewal expectancy. In fact, as explained herein, there are legitimate reasons why some licensees may elect not to move, and such licensees should have the licenses renewed.